

## FOREIGN EXCHANGE MARKET

### News

- > The dollar fell on Friday amid dovish remarks from the Federal Reserve Chair Jerome Powell.
- > The euro trades in the range of 1.0900 amid a weaker dollar and speculations that the Federal Reserve has reached its peak of rate hike cycle. Market participants will keep an eye on the German trade balance for October and ECB President Christine Lagarde speech.
- > The pound sterling traded at its 10 week high against the euro at 1.1625 on Friday.
- > The AUD/USD pair posts modest gains on Monday. The uptick of the pair is bolstered by the weaker US Dollar and dovish messages from Federal Reserve officials. Market players also await the RBA interest rate decision on Tuesday, which is likely to keep the rate unchanged.
- > The Japanese yen starts the new week on a stronger note and touches a three month high against the US dollar. In early Asian trading session USD/JPY was trading around 146.24, the lowest since Sept.11. An uptick in the US bond yields supported the USD/JPY pair to recover around 50 pips trading now around 146.75.
- > The Canadian dollar traded higher on Friday, climbing once more against its largest peer, after Canadian employment figures handily trounced market expectations.
- > The EUR/MUR slips below the 49.00 level on the offer this morning while the USD/MUR gains 2 cents and the GBP/MUR surges above the 57 mark on the sell side.

### Daily Technical View

EURUSD rebounded from a low of 1.0829 from dovish comments from Fed chairman Jerome Powell last Friday as his statement provided some support that the Fed is done with the interest rate hiking cycle and on weaker than expected manufacturing PMI in the US. Focus today will be on German trade Balance for October and ECB President Christine Lagarde's speech. Support lies at 1.0830 followed by 1.0780 while resistance lies at 1.0904.

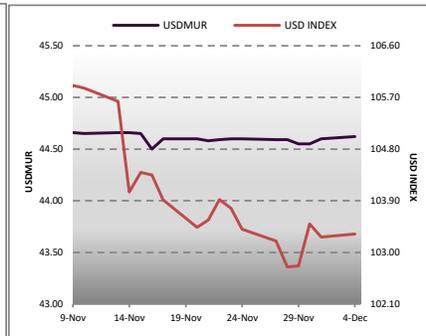
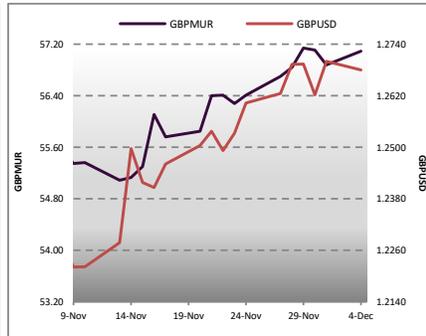
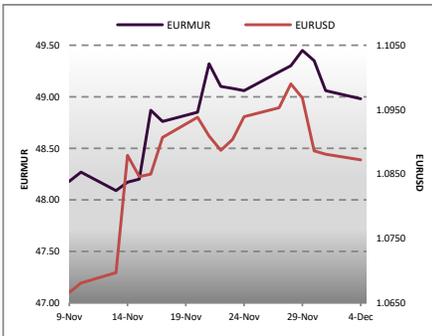
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.10	0.24	30.53	0.26
CNYMUR	6.11	-	6.42	-
EURMUR	47.55	(0.08)	48.98	(0.08)
JPYMUR	29.64	0.29	31.21	0.30
ZARMUR	2.33	0.02	2.48	0.0
USDMUR	43.72	0.02	44.62	0.02
GBPMUR	55.43	0.21	57.09	0.21

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.06	28.95	28.73	30.52	30.47	30.39
EURMUR	47.47	47.28	47.01	48.97	48.94	48.93
ZARMUR	2.31	2.28	2.22	2.48	2.47	2.46
USDMUR	43.60	43.35	42.93	44.55	44.42	44.24
GBPMUR	55.30	55.03	54.55	57.01	56.86	56.62



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6662	0.6690	0.6653	0.6662
EURUSD	1.0885	1.0894	1.0868	1.0876
GBPUSD	1.2710	1.2724	1.2668	1.2684
USDJPY	146.71	146.88	146.24	146.63
USDCHF	0.8688	0.8709	0.8668	0.8704
USDCNH	7.12	7.14	7.12	7.14

#### Major Indices

	Value at Close	Day Change %
DOW JONES	35,950.89	0.82
S&P 500	9,849.74	0.59
FTSE 100	7,529.35	1.01
DAX	16,397.52	1.12
CAC 40	7,346.15	0.48
Nikkei 225	33,486.89	0.27
HANGSENG	16,830.30	(0.66)

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
4-Dec	14 00	EU	ECB's President Lagarde Speech	-	-	-	-
5-Dec	03 30	AU	RBA Interest Rate Decision	-	-	4.35%	4.35%
5-Dec	15 00	US	ISM Services PMI	Nov	-	52	51.80

This commentary is for information only, and the comments and forecasts are intended to be of a general nature, and are current at the date of issue. This document is not intended as an offer, solicitation, or recommendation to buy or sell financial instruments or for any individual investment.

Source: MCB Treasury, Reuters, Bloomberg, Bank of Mauritius

## FIXED INCOME

### News

> US Treasury yields dropped on Friday after Fed Chair Jerome Powell stated that the risks of the Fed moving too far with rate hikes and slowing the economy more than necessary have become "more balanced" with those of not moving rapidly enough to combat high inflation.

> The yield on the benchmark 10-year US Treasury note fell 9 basis points to 4.261 percent and was down nearly 23 bps for the week.

> The two-year Treasury yield, which typically moves in step with interest rate expectations, fell 12 basis points to 4.598 percent after closing out November with its biggest monthly drop since March. The yield declined to 4.569 percent, its lowest since June.

### Market Highlights

#### Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	3.85	3.70
2M	3.90	3.75
3M	3.98	3.83
4M	4.01	3.86
6M	4.05	3.90
8M	4.10	3.95
10M	4.15	4.00
1Y	4.20	4.05

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#### Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	4.35	4.15
3 year	4.55	4.35
4 Year	4.60	4.40
5 Year	4.70	4.45
10 Year	4.80	4.55
15 year	5.00	4.75
20 Year	5.25	5.00

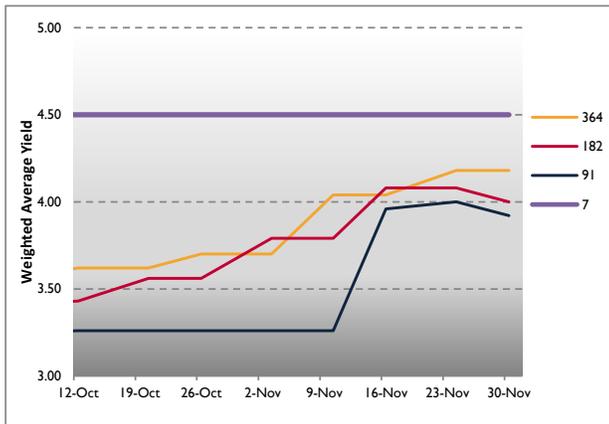
#### Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Key Rate	4.50	4.00
Fed Funds Rate	5.50	5.25
BoE Bank Rate	5.25	5.00
ECB Ref. Rate	4.50	4.25
RBA Cash Rate	4.35	4.10

#### Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	4.5917	4.175
UK Bonds	4.509	4.117
German Bonds	2.674	2.266

#### Auction Results of Treasury Bills



#### Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.460	5.637	5.769
EURIBOR	3.839	3.869	3.960	4.004
SONIA	-	5.201	5.230	5.249

\* rates delayed by 48 hours. Source: ICE & Refinitiv

#### Indicative Generic Swap Rates\* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.059	2.729	2.746	2.834
USD OIS	4.351	3.846	3.789	3.810

\*Pay fixed and receive floating swap

## COMMODITIES

### Rolling Gold & Oil Prices



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### News

> Oil heads once again towards a downward trend after WTI sees a sharp rejection from \$76.50. On Friday, West Texas Intermediate Crude Oil climbed back towards \$77.00 per barrel before falling once more towards \$74.50. Market investors remain uncertain if OPEC will be able to successfully accomplish the recently-announced production cuts.

> Gold price surges to a fresh record high around the \$2,144-2,145 range during the Asian session on Monday. The precious metal currently trades below the \$2,100 mark, still up around 0.70 percent for the day.

#### Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	83.70	(1.01)
Gold (\$)	2,084.76	49.01